IC 20-43-5

Chapter 5. Determination of Complexity Index and Target Revenue Per ADM

IC 20-43-5-1

Application

Sec. 1. A school corporation's target revenue per ADM for a calendar year is the amount determined under section 9 of this chapter.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-2

Components; target revenue per ADM

Sec. 2. The following amounts must be determined under this chapter to calculate a school corporation's target revenue per ADM for a calendar year:

(1) The school corporation's complexity index for the calendar year under section 3 of this chapter.

(2) The school corporation's foundation amount for the calendar year under section 4 of this chapter.

(3) The school corporation's previous year revenue foundation amount for the calendar year under section 5 of this chapter.

(4) The school corporation's transition to foundation amount for the calendar year under section 6 of this chapter.

(5) The school corporation's transition to foundation revenue for the calendar year under section 7 of this chapter.

(6) The school corporation's guaranteed minimum revenue for the calendar year under section 8 of this chapter.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-3

Calculation; complexity index

Sec. 3. (a) This subsection does not apply to a charter school. A school corporation's complexity index is determined under the following formula:

STEP ONE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the population in the school corporation who are at least twenty-five (25) years of age with less than a twelfth grade education.

(2) Determine the quotient of:

(A) one thousand nineteen dollars ($1,019); divided by

(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP TWO: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were eligible for free lunches in the school year ending in 2005.

(2) Determine the quotient of:

(A) one thousand two hundred sixty dollars ($1,260); divided by

(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2005.

(2) Determine the quotient of:

(A) four hundred fifty-two dollars ($452); divided by

(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP FOUR: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of families in the school corporation with a single parent.

(2) Determine the quotient of:

(A) five hundred fifty-seven dollars ($557); divided by

(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP FIVE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income level below the federal income poverty level (as defined in IC 12-15-2-1).

(2) Determine the quotient of:

(A) three hundred forty-seven dollars ($347); divided by

(B) four thousand five hundred seventeen dollars ($4,517) in 2006 and four thousand five hundred sixty-three dollars ($4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP SIX: Determine the sum of the results in STEP ONE through STEP FIVE.

STEP SEVEN: Determine the result of one (1) plus the STEP SIX result.

STEP EIGHT: This STEP applies if the STEP SEVEN result is equal to or greater than one and twenty-five hundredths (1.25). Determine the result of the following:

(1) Subtract one and twenty-five hundredths (1.25) from the STEP SEVEN result.

(2) Multiply the subdivision (1) result by five-tenths (0.5).

(3) Determine the result of:

(A) the STEP SEVEN result; plus

(B) the subdivision (2) result.

The data to be used in making the calculations under STEP ONE, STEP FOUR, and STEP FIVE of this subsection must be the data from the 2000 federal decennial census.

(b) A charter school's complexity index is the index determined under subsection (a) for the school corporation in which the charter school is located. However, the complexity index for Campagna Academy Charter School is the complexity index determined under subsection (a) for Gary Community School Corporation.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-4

Calculation; foundation amount

Sec. 4. A school corporation's foundation amount for a calendar year is the result determined under STEP TWO of the following formula:

STEP ONE: Determine:

(A) four thousand five hundred seventeen dollars ($4,517) in 2006; or

(B) four thousand five hundred sixty-three dollars ($4,563) in 2007.

STEP TWO: Multiply the STEP ONE amount by the school corporation's complexity index.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-5

Calculation; previous year foundation amount

Sec. 5. A school corporation's previous year revenue foundation amount for a calendar year is equal to the school corporation's previous year revenue divided by the school corporation's adjusted ADM for the previous year.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-6

Calculation; transition to foundation amount

Sec. 6. A school corporation's transition to foundation amount for a calendar year is equal to the result determined under STEP THREE

of the following formula:

STEP ONE: Determine the difference of:

(A) the school corporation's foundation amount; minus

(B) the school corporation's previous year revenue foundation amount.

STEP TWO: Divide the STEP ONE result by:

(A) six (6) in 2006; or

(B) five (5) in 2007.

STEP THREE: A school corporation's STEP THREE amount is the following:

(A) For a charter school that has previous year revenue that is not greater than zero (0), the charter school's STEP THREE amount is the quotient of:

(i) the school corporation's guaranteed minimum revenue for the calendar year where the charter school is located; divided by

(ii) the school corporation's current ADM.

(B) The STEP THREE amount for a school corporation that is not a charter school described in clause (A) is the following:

(i) The school corporation's foundation amount for the calendar year, if the absolute value of the STEP ONE amount is less than or equal to fifty dollars ($50).

(ii) For 2007, the school corporation's foundation amount for the calendar year, if the foundation amount in 2006 equaled the school corporation's target revenue per ADM in 2006.

(iii) The sum of the school corporation's previous year revenue foundation amount and the greater of the school corporation's STEP TWO amount or fifty dollars ($50), if the school corporation's STEP ONE amount is greater than fifty dollars ($50).

(iv) The difference determined by subtracting the greater of the absolute value of the school corporation's STEP TWO amount or fifty dollars ($50) from the school corporation's previous year revenue foundation amount, if the school corporation's STEP ONE amount is less than negative fifty dollars (-$50).

As added by P.L.2-2006, SEC.166.

IC 20-43-5-7

Calculation; transition to foundation revenue

Sec. 7. A school corporation's transition to foundation revenue for a calendar year is equal to the product of:

(1) the school corporation's transition to foundation amount for the calendar year; multiplied by

(2) the school corporation's current adjusted ADM.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-8

Calculation; guaranteed minimum revenue

Sec. 8. A school corporation's guaranteed minimum revenue for a calendar year is equal to the greater of the following:

(1) The school corporation's transition to foundation revenue for the calendar year.

(2) The amount determined under STEP THREE of the following formula:

STEP ONE: Divide the school corporation's previous year revenue by the school corporation's previous year ADM.

STEP TWO: Multiply the STEP ONE result by ninety-nine hundredths (0.99).

STEP THREE: Multiply the STEP TWO amount by the school corporation's current ADM.

As added by P.L.2-2006, SEC.166.

IC 20-43-5-9

Calculation; target revenue per ADM

Sec. 9. A school corporation's target revenue per ADM for a calendar year is the quotient of:

(1) the school corporation's guaranteed minimum revenue for the calendar year; divided by

(2) the school corporation's current adjusted ADM.

As added by P.L.2-2006, SEC.166.